

5 October 2009

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AEMC Reference: ERC0089

Dear John

Re | Confidentiality Provisions and Network Connections

Thank you for the opportunity to comment on the AEMC's draft Rule determination regarding Confidentiality Provisions and Network Connections.

AEMO considers the inclusion of a cross reference to the confidentiality exceptions to the general confidentiality obligations in clause 5.3.8 of the National Electricity Rules (**NER**) provides a reasonable solution to the problem identified by Grid Australia and that it would correct an identified anomaly in the NER. Nonetheless, AEMO considers the draft Rule is unlikely to increase market information that would encourage generators to coordinate connections where several generation projects are to be connected to the same part of the network in the same timeframe.

AEMO considers Grid Australia's Rule change proposal was intended to address issues related to the efficient processing of connection applications. AEMO considers that Rule amendments to increase the accessibility of basic generator information regarding proposed connection points would increase opportunities for proponents to proceed with coordinated or jointly processed connection applications.

While these issues could be addressed as part of this Rule change, AEMO understands that they are being addressed as part of the Network Extension for Remote Generation (**NERG**) proposal in the AEMC's Review of Energy Market Frameworks in light of Climate Change Policies. AEMO will provide further comments on these issues through any Rules developed should the NERG proposal proceed.

For further discussion, please contact Elizabeth O'Brien on (03) 8664 6597.

Yours sincerely



Terry Grimwade
Executive General Manager, Market Development